



MARK PESTRELLA, Director

COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone (626) 458-5100
<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE
REFER TO FILE

April 05, 2022

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**CONSTRUCTION-RELATED CONTRACT
CONSTRUCTION MANAGEMENT CORE SERVICE AREA
RANCHO LOS AMIGOS SOUTH CAMPUS SPORTS CENTER
APPROVE REVISED TOTAL PROJECT BUDGET
AUTHORIZE FUNDING AGREEMENT AMENDMENT
AUTHORIZE LEASE AGREEMENT
APPROVE APPROPRIATION ADJUSTMENT
SPECS. 7434; CAPITAL PROJECT NO. 69798
(SUPERVISORIAL DISTRICT 4)
(4 VOTES)**

SUBJECT

Public Works is seeking Board approval of the revised project budget and appropriation adjustment, to authorize the Chief Executive Office to execute a funding agreement amendment, and to negotiate and enter into a lease agreement with the City of Downey for the previously approved Rancho Los Amigos South Campus Sports Center Project.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed increase in project budget, execution of the proposed funding agreement amendment and lease agreement with the City of Downey, and related actions are within the scope of the previously approved exemption from the California Environmental Quality Act; and that the revisions to the project scope are also exempt from the California Environmental Quality Act for the reasons stated in this Board letter and in the record of the proposed activities.

2. Find that, pursuant to Government Code Section 26227, the five-acre Rancho Los Amigos South Campus property located at 7651 Gardendale Street in the City of Downey is not needed for County purposes.
3. Find that, pursuant to Government Code Section 26227, the Rancho Los Amigos South Campus Sports Center Project is necessary to meet the social needs of the County and serve public purposes, which benefit the County, and that the Rancho Los Amigos South Campus property be used to carry out the programs, upon terms and conditions determined by the Board are in the best interests of the County and the general public.
4. Approve the increase of the total project budget from \$12,120,000 to \$12,590,000 for the Rancho Los Amigos South Campus Sports Center Project, Capital Project No. 69798, contingent on the payment of \$470,000 from the City of Downey pursuant to an amended funding agreement.
5. Approve and authorize the Chief Executive Officer or her designee to execute, amend, and carry out the terms of a funding agreement amendment with the City of Downey for its contribution of \$470,000 to fund the City requested scope changes that include underground in lieu of overhead electrical service and upgrades to the concession stand.
6. Approve the Fiscal Year 2021-22 appropriation adjustment to transfer \$470,000 from the City of Downey to the Rancho Los Amigos South Campus Sports Center Project, Capital Project No. 69798.
7. Approve and authorize the Chief Executive Officer or her designee to execute a lease, in a form approved by County Counsel, and consistent with the terms set forth herein when all the Option to Lease Agreement conditions have been fulfilled.
8. Authorize and direct the Chief Executive Officer or her designee to execute any other ancillary documentation necessary to effectuate the proposed lease and to take actions necessary and appropriate to implement the proposed lease including, without limitation, exercising early termination rights and any options to extend.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will find that the proposed increase in the project budget, the execution of the proposed lease agreement, funding agreement amendment, and related actions are within the scope of the previous finding of exemption under the California Environmental Quality Act (CEQA); that the proposed revisions to the project scope are also exempt under CEQA; approve the revised project budget; and authorize the Chief Executive Officer (CEO) to execute, amend, and carry out the terms of a funding agreement amendment and lease agreement with the City of Downey.

Project Background

The Rancho Los Amigos South Campus (RLASC) Sports Center Project is located at 7651 Gardendale Street in the City of Downey. The project, currently under construction, is on a five-acre site, which will include three multipurpose sports fields, sports lighting, restrooms, a concession stand, an equipment storage room, office space for staff, and a surface parking lot. When completed, this facility will be leased to and operated by the City.

On November 22, 2016, the Board established and approved the RLASC Sports Center Project, with a maximum project cost of \$10,000,000 for design, construction, and all project management costs. The Board also authorized CEO to negotiate and execute an Option to Lease Agreement with the City.

On October 26, 2018, the Option to Lease Agreement was executed, which grants the City the exclusive option to lease property upon completion of the project. This agreement also stipulates the basic terms of the future lease agreement and includes the City being responsible for all maintenance, replacement, and operational costs during the lease term. This agreement also requires the City to reimburse the County for project costs beyond the County's maximum funding commitment of \$10,000,000. In addition, pursuant to the agreement, the City shall be responsible for all maintenance, replacement, and operational costs during the lease term.

On April 30, 2019, following a design-build solicitation and selection process, the Board approved a revised total project budget of \$12,120,000; the award of a design-build contract to Ohno Construction Company; and authorized CEO to execute, amend, and carry out the terms of a funding agreement with the City.

Revised Total Project Budget

On December 10, 2019, a design-build agreement was executed with Ohno Construction Company. During the project design phase, the City requested that the electrical service from Southern California Edison at Gardendale Street be underground in lieu of overhead. In January 2021, while the project was under construction, the City requested that the concession stand that was previously designed for prepackaged food sales be upgraded to a food preparation commercial kitchen. After receiving cost estimates from the design-builder, the total estimated cost for these scope changes, including County soft costs, is \$470,000.

Pursuant to the Option to Lease Agreement, the City has agreed to pay the County \$470,000 for these scope changes. An amended funding agreement with the City will be executed. With these scope changes, the revised total project budget will now be \$12,590,000 (see Enclosure A).

Lease Agreement Terms

At project completion, the City will exercise its option to execute a lease agreement with the County. The material terms and conditions of the lease agreement are described in Enclosure B.

Implementation of Strategic Plan Goals

These recommendations support the County Strategic Plan: Strategy II.2, Support the Wellness of our Communities, Objective II.2.2, Expand Access to Recreational and Cultural Opportunities and Objective II.2.4, Promote Active and Healthy Lifestyles. The proposed RLASC Sports Center Project supports these goals by providing a facility that will offer various recreational programs and services to the local community and serve a social need that benefits the County and its residents.

FISCAL IMPACT/FINANCING

The proposed revised total project cost estimate of \$12,590,000 includes predesign, design, construction, change order contingency, design completion allowance, jurisdictional approvals, consultant services, and County services (see Enclosure A).

Pursuant to the Option to Lease Agreement, the City will reimburse the County for project cost beyond \$10,000,000. On October 10, 2019, the funding agreement was executed, and the City provided their reimbursement of \$2,120,000 to the County on April 28, 2021, funded by a Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Section 108 Loan.

The RLASC Sports Center revised total project budget of \$12,590,000 is funded with \$10,000,000 from the Fourth Supervisorial District net County cost, and \$2,120,000 from the City's HUD CDBG Section 108 Loan. The additional \$470,000 will be funded from the City's HUD CDBG Section 108 Loan or the City's general fund should the HUD CDBG Section 108 Loan not be disbursed timely, prior to the project completion.

Approval of the Fiscal Year 2021-22 appropriation adjustment (see Enclosure C) will transfer \$470,000 from the City to the RLASC Sport Center Project, Capital Project No. 69798, to fund the remaining project expenditures.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

California Government Code Section 26227 sets forth that the Board may appropriate and expend money from the general fund to establish County programs or to fund other programs deemed by the Board to be necessary to meet the social needs of the population of the County including, but not limited to, the areas of health.

The Board may contract with other public agencies to operate those programs that the Board determines will serve public purposes.

In the furtherance of those programs, the Board may make available to a public agency, any real property of the County, which is not and, during the time of possession, will not be needed for County purposes, to be used to carry out the programs, upon terms and conditions determined by the Board to be in the best interests of the County and the general public. The Board may finance or assist in the financing of the acquisition or improvement of real property and furnishings to be owned or operated by any public agency, to carry out the programs, through a lease, without complying with any other provisions of this code relating to acquiring, improving, leasing, or granting the use of or otherwise disposing of County property.

The RLASC Sports Center Project shall provide for a much-needed sports center for the community in the City and include three synthetic turf or grass multipurpose sports fields of various sizes to support competition of youth through high school level of competition. The lease agreement is authorized and shall be entered into, pursuant to the authority granted under Government Code Section 26227.

ENVIRONMENTAL DOCUMENTATION

On November 22, 2016, the Board determined the RLASC Sports Center Project was categorically exempt from CEQA pursuant to Sections 15301 (I), 15331, and 15332 of the State CEQA Guidelines, and Class 1 (h) of the County's Environmental Document Reporting Procedures and Guidelines. A Notice of Exemption was filed on November 22, 2016.

On April 30, 2019, the Board determined that revisions to the original project were also categorically exempt pursuant to Sections 15301 (I) and 15311 (a) of the State CEQA guidelines, and Class 1 (h) and 11 (d) of the County's Environmental Document Reporting Procedures and Guidelines. A Notice

of Exemption was filed on May 6, 2019.

The proposed revised budget, execution of a funding agreement amendment and a lease agreement with the City, and related recommendations are within the scope of the Board's previous findings of exemption for the previously approved project. The revised project scope, which includes undergrounding of electrical lines and changes to the previously approved concession stand, are also exempt under the same exemptions from CEQA previously determined by the Board for the project, which include Sections 15301 (h) and (l), 15311 (a), 15331, and 15332 of the State CEQA Guidelines; Classes 1 (h) and 11 (d) of the County's Environmental Document Reporting Procedures and Guidelines (County Guidelines); and as well as Section 15302 (d) of the State CEQA Guidelines and Class 2 (f) of the County Guidelines, which apply to the conversion of overhead electrical utility distribution facilities to underground.

Upon the Board's approval of the recommended actions, Public Works will file a Notice of Exemption with the Register-Recorder/County Clerk in accordance with Public Resources Code Section 21152.

CONTRACTING PROCESS

The cost of the revised scope of work will be accommodated through the contract amendment process with the design-builder, Ohno Construction Company, under the existing design-build agreement.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current County services or projects during the performance of the recommended actions.

CONCLUSION

Please return one adopted copy of this Board letter to Public Works, Project Management Division II.

The Honorable Board of Supervisors

4/5/2022

Page 6

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Pestrella". The signature is fluid and cursive, with the first name "Mark" and last name "Pestrella" clearly distinguishable.

MARK PESTRELLA, PE

Director

MP:VY:cl

Enclosures

c: Auditor-Controller
Chief Executive Office (Capital Programs
Division)
County Counsel
Executive Office

**CONSTRUCTION-RELATED CONTRACT
CONSTRUCTION MANAGEMENT CORE SERVICE AREA
RANCHO LOS AMIGOS SOUTH CAMPUS SPORTS CENTER
APPROVE REVISED TOTAL PROJECT BUDGET
AUTHORIZE FUNDING AGREEMENT AMENDMENT
AUTHORIZE LEASE AGREEMENT
APPROVE APPROPRIATION ADJUSTMENT
SPECS. 7434; CAPITAL PROJECT NO. 69798
(SUPERVISORIAL DISTRICT 4)
(4 VOTES)**

PROJECT SCHEDULE

Project Activity	Previously Adopted Completion Date	Revised Completion Date
Scoping Documents	3rd QTR 2017	3rd QTR 2017
Design-Build Award	2nd QTR 2019	2nd QTR 2019
Construction:		
Substantial Completion	1st QTR 2021	2nd QTR 2022
Project Acceptance	2nd QTR 2021	2nd QTR 2022

PROJECT BUDGET

Budget Category	Board Approved Budget	Impact of this Action	Revised Budget
Construction	\$10,135,000	\$435,000	\$10,570,000
Plans and Specifications	\$220,000	\$0	\$220,000
Consultant Services	\$330,000	\$0	\$330,000
Miscellaneous Expenditures	\$65,000	\$0	\$65,000
Jurisdictional Reviews	\$145,000	\$5,000	\$150,000
County Services	\$1,225,000	\$30,000	\$1,255,000
Total	\$12,120,000	\$470,000	\$12,590,000

**CONSTRUCTION-RELATED CONTRACT
CONSTRUCTION MANAGEMENT CORE SERVICE AREA
RANCHO LOS AMIGOS SOUTH CAMPUS SPORTS CENTER
APPROVE REVISED TOTAL PROJECT BUDGET
AUTHORIZE FUNDING AGREEMENT AMENDMENT
AUTHORIZE LEASE AGREEMENT
APPROVE APPROPRIATION ADJUSTMENT
SPECS. 7434; CAPITAL PROJECT NO. 69798
(SUPERVISORIAL DISTRICT 4)
(4 VOTES)**

LEASE AGREEMENT MATERIAL TERMS AND CONDITIONS

- Rent: The annual rent during the term of the Lease shall be \$1.
- Term: The initial term of the Lease shall be 20 years with 2 options of 5 years each to extend the Lease term to a maximum of 30 years.
- Operating Costs: During the term of the Lease, the City of Downey shall operate (including all project programming), replace, and maintain the project and the Rose Float Association buildings at its sole cost.
- Capital Contributions: During the term of the Lease, the City shall make annual financial contributions to a capital improvement account, which contributions shall in no event be less than \$75,000 per year and not-to-exceed \$3,000,000 in the aggregate.
- Joint Use: The Lease shall specify a protocol providing the County reasonable rights to joint use of the project; provided, however, that the County's exercise of its rights shall be contingent on the provision of ample advanced notice and shall not take precedence over prior-scheduled use of the project by the City, other governmental agencies, or third party persons or organizations. The Rancho Los Amigos National Rehabilitation Center anticipates using the fields on average 1-3 hours per week during the daytime. The Rancho Los Amigos National Rehabilitation Center will schedule these outings with a minimum 1 week notice and the City shall honor such scheduling requests to the extent the facility has not already been booked.
- Liability Protection for County: The Lease shall require that the City require all third parties using the property execute a Use Agreement in a form approved by the County that includes appropriate insurance and a release of liability provision minimizing the County's liability exposure. Notwithstanding the foregoing, the parties acknowledge that the Lease will include an indemnification provision pursuant to which the City will indemnify the County against claims made by non-County users of the project whether or not they have signed the User Agreement.
- Furniture, Fixtures, and Equipment: The Lease shall require that the City have responsibility for costs, maintenance, and repair of furniture, fixtures, and equipment,

including removable soccer goals, removable football uprights, temporary/removable bleachers, field striping, restroom paper stock, and sporting equipment.

- Utility Costs: The Lease shall require that the City pay all utility costs for the project and the Rose Float Association buildings during the Lease term.
- Security: The Lease shall require the City's provision of security to the project at its sole cost during the term.
- Condition of the Property: The property will be provided for lease in its as is condition. The City has inspected the property and the County's documentation related to the property's condition with respect to environmental, toxics, and hazardous materials, and on that basis, the City has satisfied itself that the property is suitable for its intended use as a parks and recreation facility. As part of the construction activity for the multipurpose sports complex, the County will remediate the property of the known contaminants identified in the Addendum for Site Assessment Reports, Rancho Los Amigos Hospital Area 8, dated February 1, 2018. Included in the remediation, the County will employ an environmental consultant who will provide the following:
 - Prepare a soil removal plan that outlines the methods to be used for the mitigation of soils that will have clean-up goals where there will be no exceedances above the current residential regional screening levels. The mitigation work is expected to consist of excavation, verification sampling, and off-site disposal if impacted soil is encountered. A draft soil removal plan will be provided to the City for its review and concurrence.
 - Observe the mitigation work and collect soil samples for verification. The mitigation report is to be performed in accordance with the soil removal plan.
 - Prepare a completion report that documents the mitigation work conducted. The report will compare the analytical results for verification samples with the clean-up goals presented in the soil removal plan to demonstrate that the clean-up goals have been met. This completion report will be provided to the City upon completion of the clean-up efforts.
 - The County's environmental consultant will provide reliance letters to the City for the current site assessment reports and for the reports prepared during the mitigation work.
- Availability of the Float Buildings: In the event the Float Buildings become vacant during the term of the Lease, the parties will negotiate in good faith to amend the Lease such that the Float Buildings portion of the property may be used by the City on terms agreed to by the Parties hereto.
- Additional Matters: Any additional matters included in a Lease or other instrument related to the Lease shall be consistent with the terms set forth in this Agreement unless otherwise mutually agreed by the Parties.

PINK

BA FORM 11162021

BOARD OF SUPERVISORS
OFFICIAL COPY

April 05, 2022

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE**FY 2021-22****4 - VOTES****SOURCES****USES**

VARIOUS CAPITAL PROJECTS

RANCHO LOS AMIGOS SO CAMPUS SPORTS CENTER

A01-CP-91-R404-65099-69798

INTERGOVERNMENTAL REVENUE / CAPITAL PROJECTS

INCREASE REVENUE**470,000**

VARIOUS CAPITAL PROJECTS

RANCHO LOS AMIGOS SO CAMPUS SPORTS CENTER

A01-CP-6014-65099-69798

CAPITAL ASSETS - B & I

INCREASE APPROPRIATION**470,000****SOURCES TOTAL****\$ 470,000****USES TOTAL****\$ 470,000****JUSTIFICATION**

Reflects an increase in appropriation funded by the City of Downey's Housing and Urban Development Community Development Block Grant to fund additional scope of work at the Rancho Los Amigos Sports Center Project.

James YunDigitally signed by James Yun
Date: 2022.02.16 14:21:10 -08'00'**AUTHORIZED SIGNATURE****JAMES YUN, MANAGER, CEO**

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---

ACTION



RECOMMENDATION

AUDITOR-CONTROLLER

BY

Lan Sam
Digitally signed by Lan Sam
Date: 2022.02.17 10:35:06
-08'00'B.A. NO. **098**

DATE

2/17/22

APPROVED AS REQUESTED



APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY

Amir AlamDigitally signed by Amir
Alam
Date: 2022.02.22 11:07:58
-08'00'

DATE

2/22/22